

# EUROPEAN ECONOMY

COMMISSION OF THE EUROPEAN COMMUNITIES • DIRECTORATE-GENERAL FOR ECONOMIC AND FINANCIAL AFFAIRS

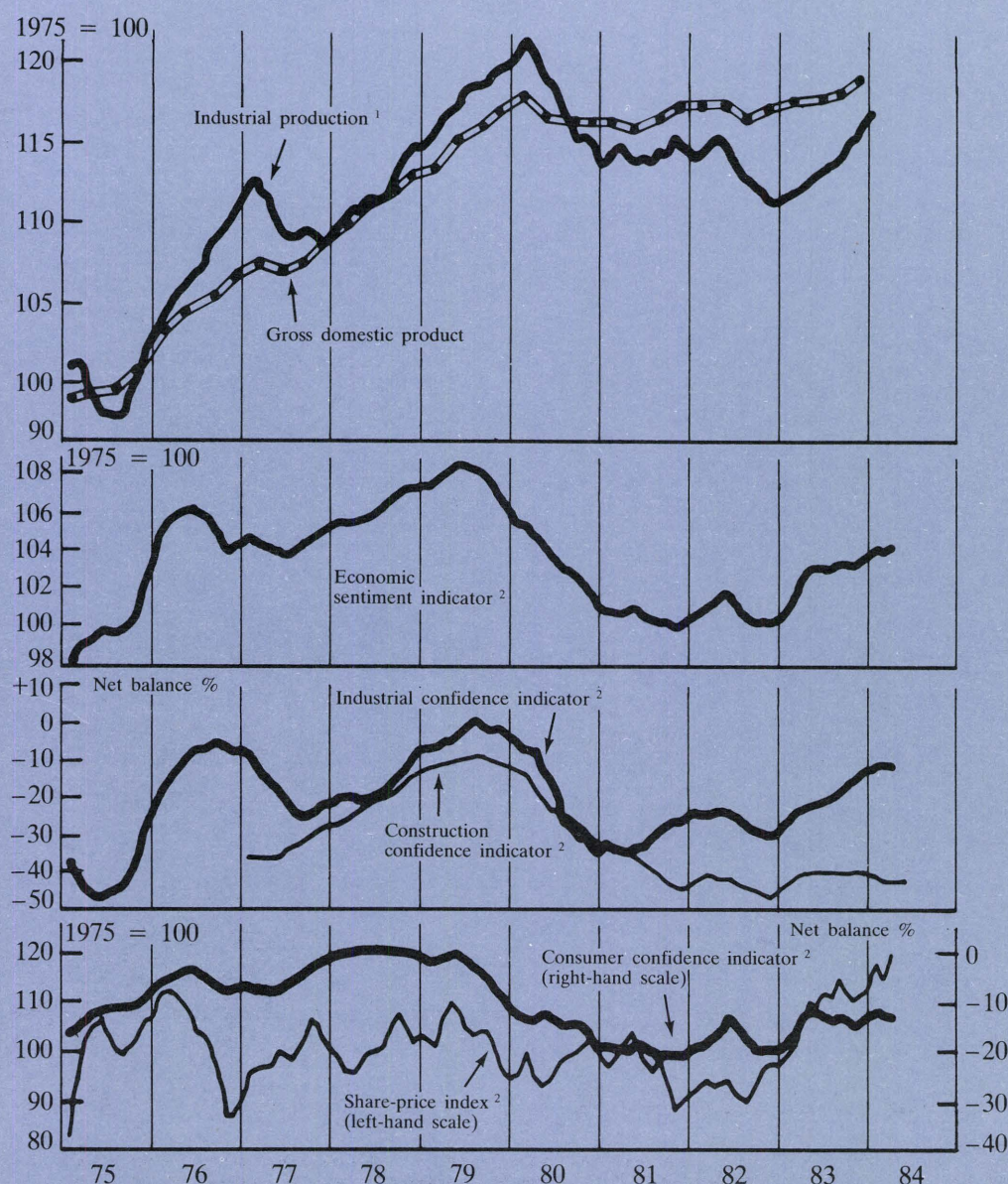
Supplement B — No 4 — April 1984

Business survey results

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*This month:  
Main industrial branches*

GRAPH 1: Indicators of output and economic sentiment — European Community





**Economic sentiment remains at high level.** — In March the economic sentiment indicator for the Community remained at the high level it reached in January. For the first quarter of 1984 it was one point above the level of the last quarter in 1983. This suggests that the European recovery will continue through 1984.

The industrial, construction and consumer confidence indicators remained in March at their February levels for the Community as a whole. In **manufacturing industry**, confidence improved in France (+ 2 points) from the low level in February but it declined marginally in Germany and the United Kingdom, probably preshadowing labour disputes in these two countries. Notwithstanding the current hesitation in the evolution of the industrial confidence indicator, the underlying trend remains positive. Order-books improved 21 points and production expectations 14 points in the Community between the first quarter of 1983 and the same quarter of 1984 (Table 5). The industrial confidence indicator itself rose 14 points in the same period. This improvement is seen in all Member States except France. Whilst Denmark, Germany and the United Kingdom have progressed most clearly, the industrial confidence indicator has also risen strongly in Italy and the Benelux countries. This seems to indicate that even where domestic demand is growing relatively slowly, business confidence has developed positively over the last year, pointing to continued growth in the manufacturing sector.

**Cyclical analysis of the main manufacturing branches.** — Tables 1 to 3 present information from the business surveys on the respective cyclical behaviour of the three manufacturing branches, consumption goods, intermediate products and investment goods relative to the behaviour of manufacturing as a whole.<sup>1</sup>

The first two tables show these relationships in terms of both actual production and the survey based industrial confidence

TABLE 1 : Production of the three industrial branches relative to total industrial production in the Community (\*) (months)

	Industry (Date)	Consumption goods	Intermediate products	Investment goods
Peak	6/74	+ 6	+ 1	0
Trough	8/75	+ 2	0	- 1
Peak	1/77	0	0	- 2
Trough	11/77	- 1	0	- 4
Peak	1/80	0	0	- 3
Trough	4/83	+ 9	+ 5	0
Average		+ 2,7	+ 1,0	- 1,7

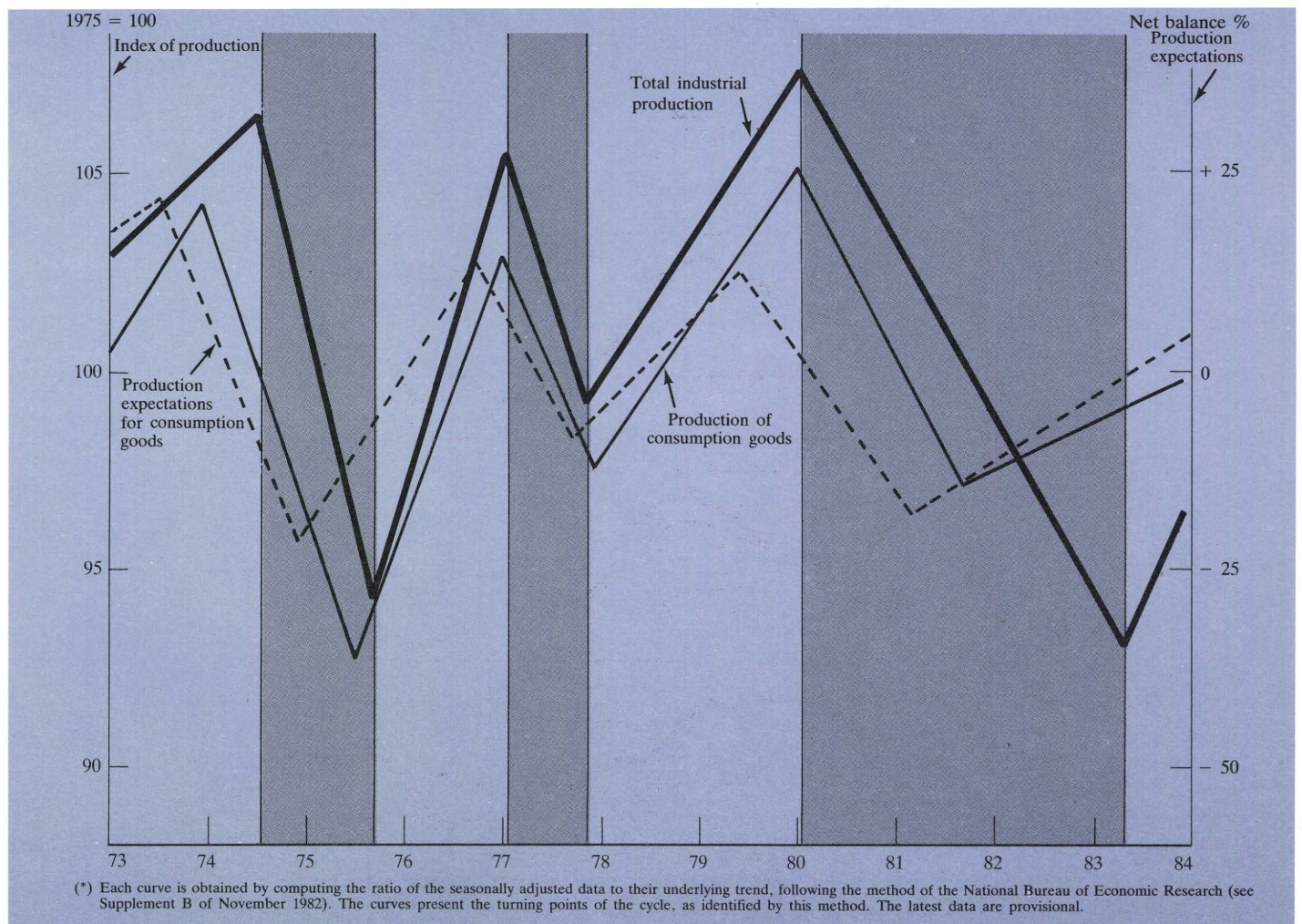
(\*) + n indicates that the cyclical turning point for the group considered was n months in advance with respect to industry as a whole.

indicator. In each case the cyclical turning points in the consumption goods industry led those of industry as a whole.<sup>2</sup> The intermediate goods industry led industry as a whole in terms of actual production but was slightly lagging in terms of the confidence indicator. Turning points in the investment goods branch in both tables lagged those of manufacturing in general. In other words the cyclical upswings of the last decade in the Community have typically started with rising household demand in the consumption industries, followed by depletion of inventories and consequently rising production in the intermediate industries, terminating with the expansion of capacity and increased demand in the investment goods industry. These relationships are shown in

<sup>1</sup> It should be noted that business survey data relate exclusively to manufacturing whilst production data include the extractive and energy branches as well.

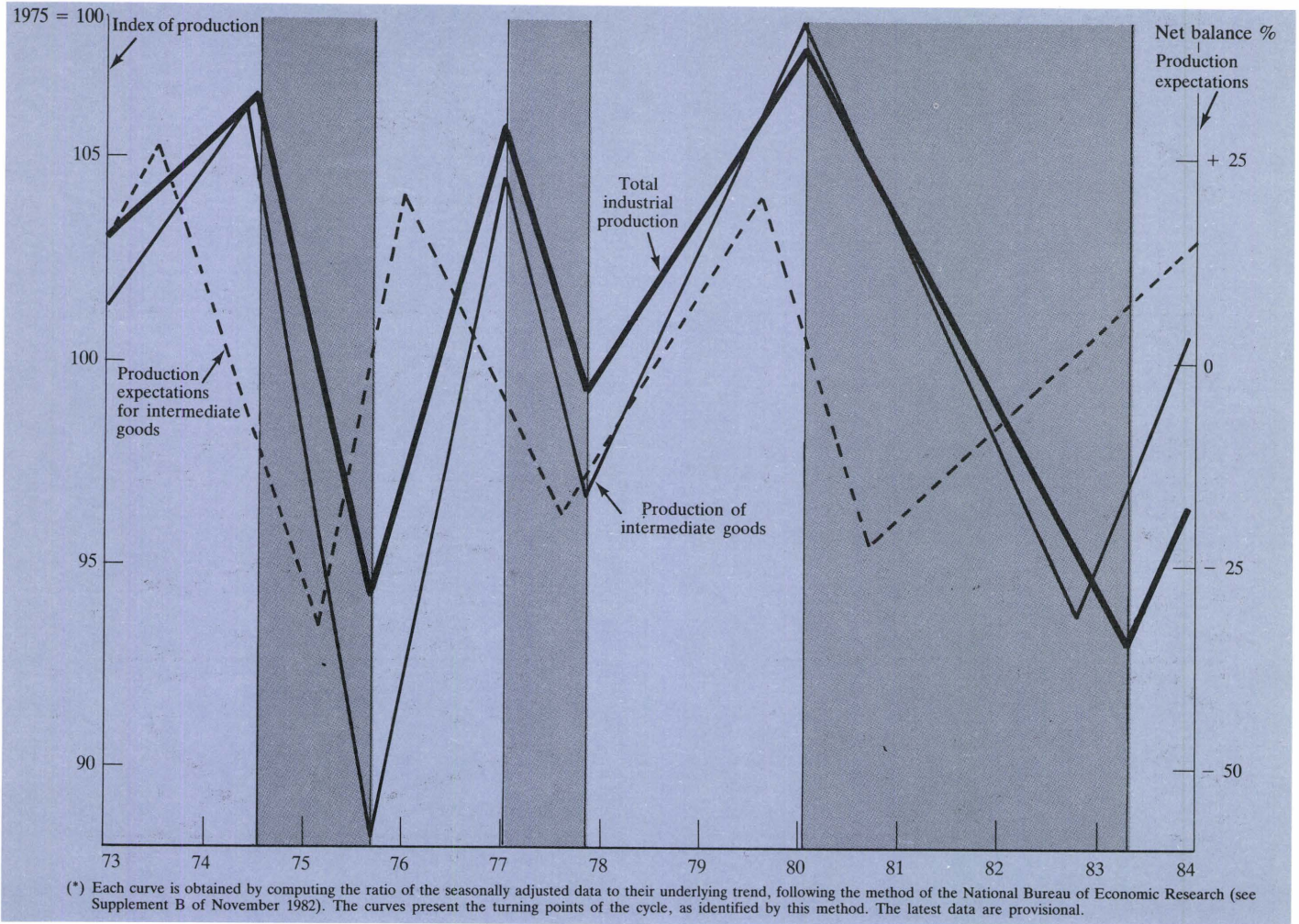
<sup>2</sup> The peaks and troughs identified in the tables are obtained by computing the ratio of the seasonally adjusted data to their underlying trend. The aborted cyclical movement peaking in 1982 has been ignored in the present analysis.

GRAPH 2: The consumption goods (\*)

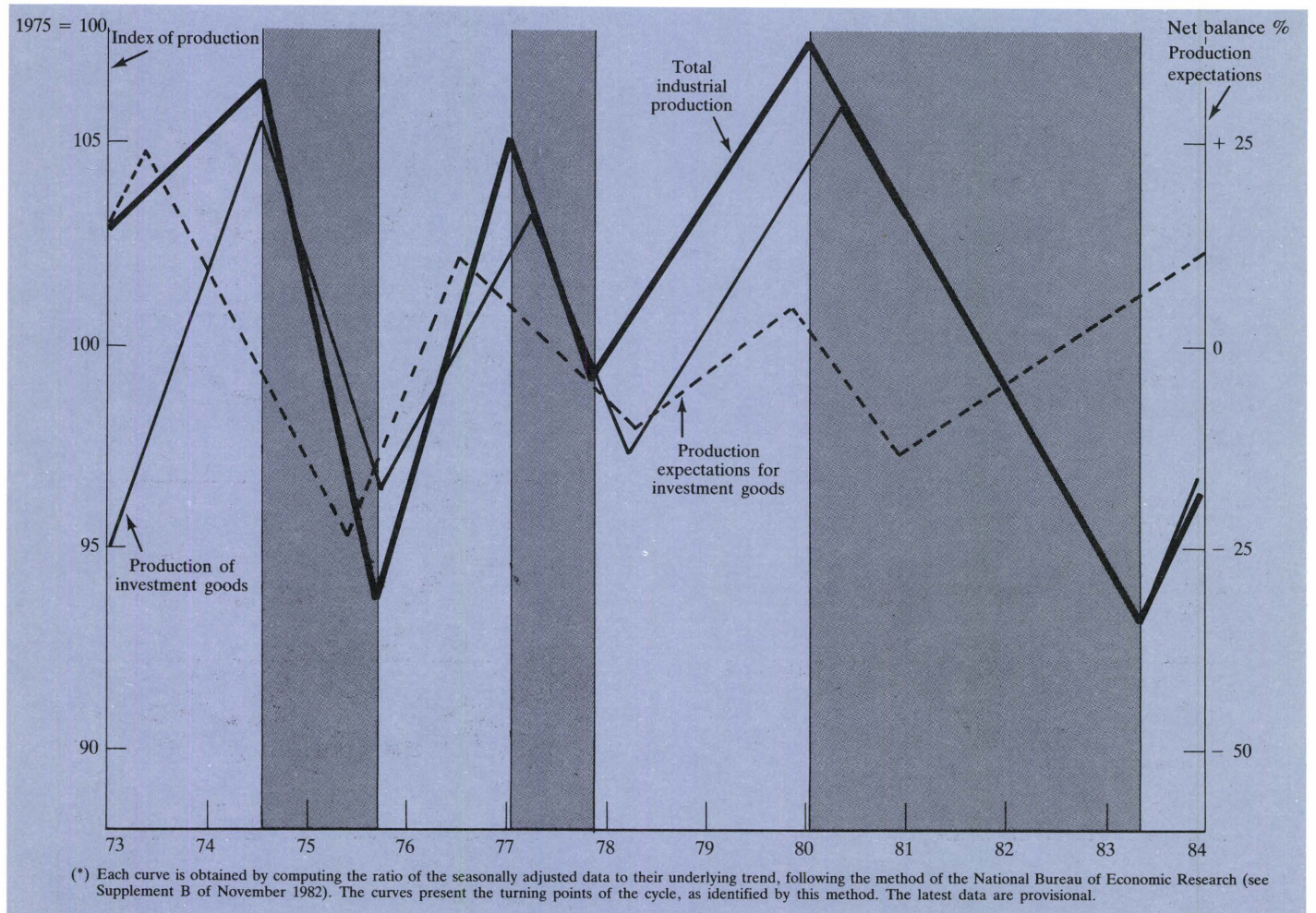




GRAPH 3: The intermediate goods (\*)



GRAPH 4: The investment goods (\*)





GRAPH 5 : Indicators of output and economic sentiment in four Member States

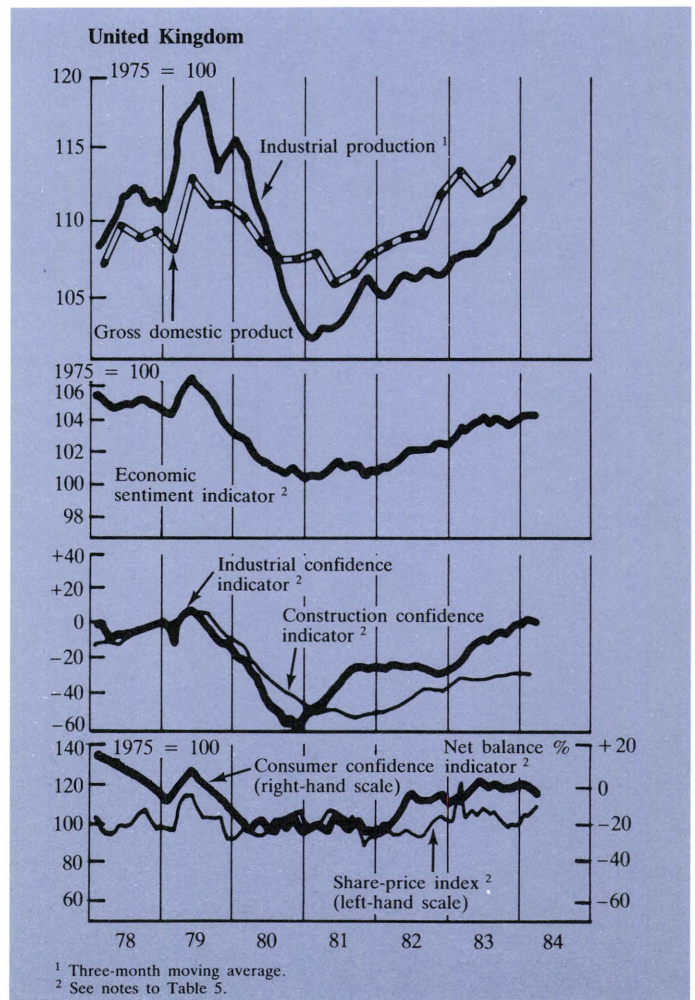
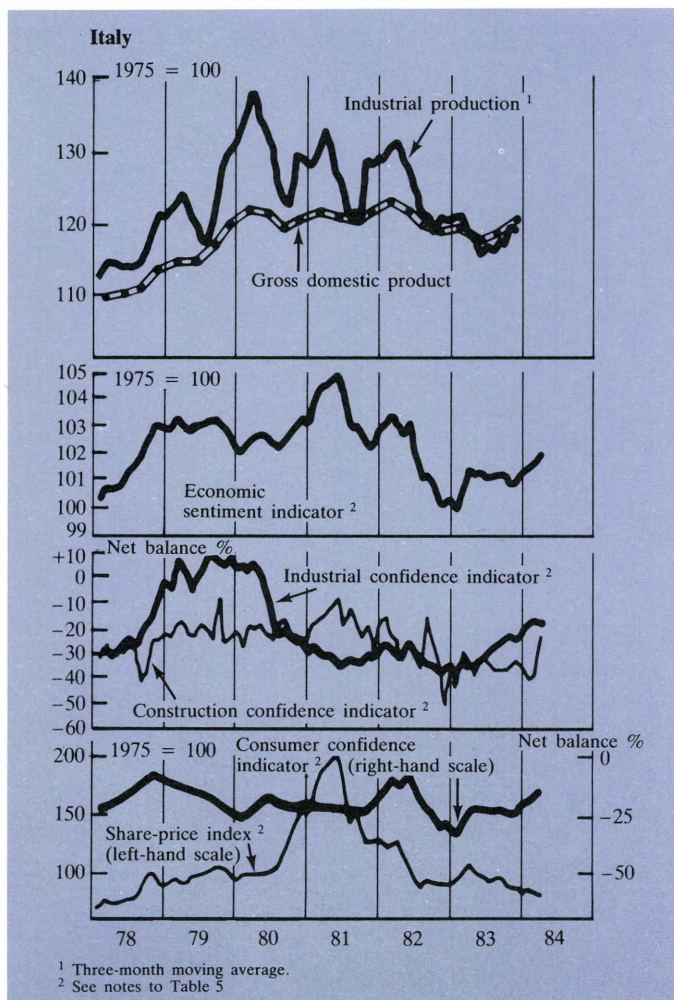
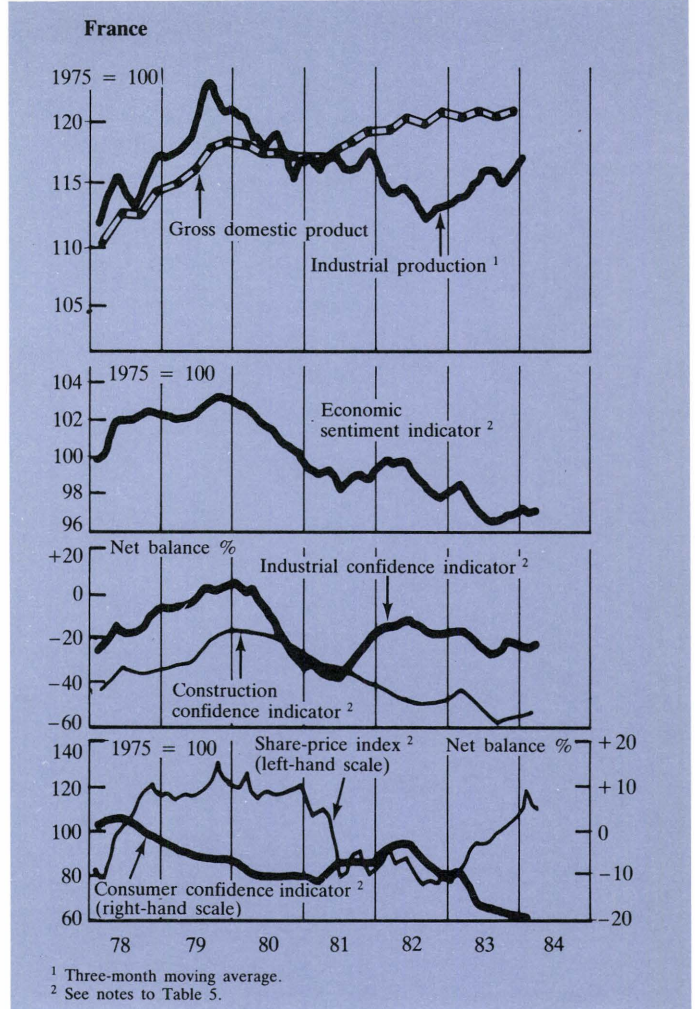
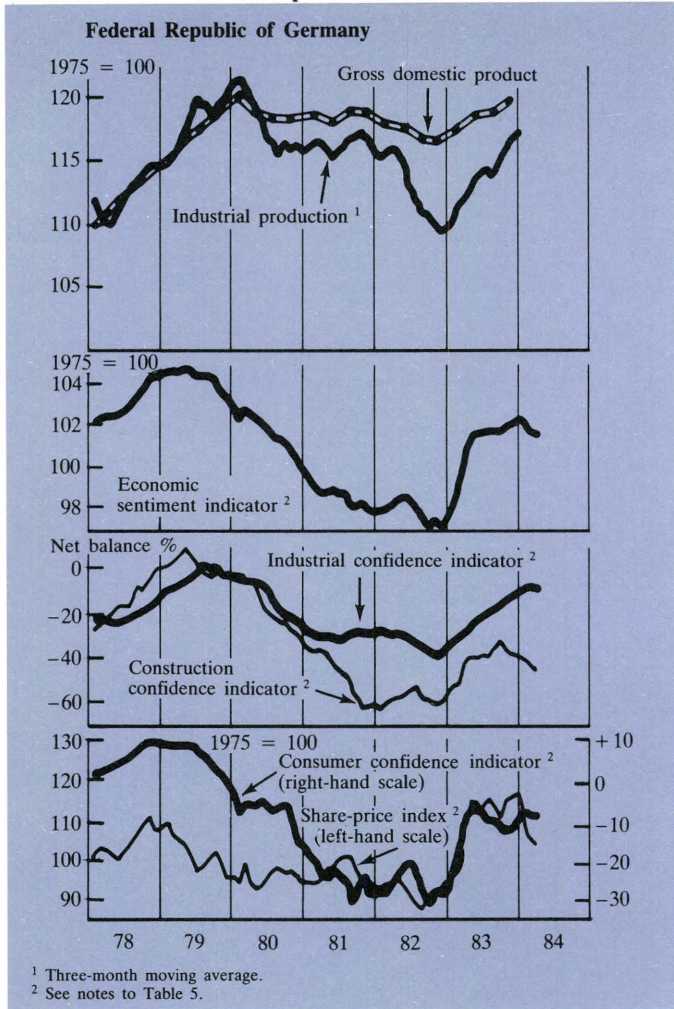




TABLE 2 : Industrial confidence indicator of the three branches compared with the whole of industry in the Community (months)

	Industry (Date)	Consumption goods	Intermediate products	Investment goods
Peak	7/73	0	- 3	- 1
Trough	4/75	+ 1	0	- 2
Peak	9/76	+ 3	+ 1	+ 3
Trough	8/77	0	0	- 10
Peak	7/79	- 2	0	- 3
Trough	12/80	0	0	- 3
Average		+ 0,7	- 0,7	- 2,7

Graphs 2 to 4, where the larger amplitude of the cyclical movements in the intermediate goods industry is also clearly seen.

Table 3 analyses the business survey data for the three branches in greater detail, relating them to actual industrial production.

The industrial confidence indicator anticipated turning points in industrial activity on average by two quarters over the last decade. On average also this indicator for each branch of manufacturing led actual turning points by roughly similar periods. Of the components of the confidence indicator it was production expectations which gave the most advanced information, considerably ahead of the data on stocks and order-books.

TABLE 3 : Leads and lags of the business survey indicators with respect to actual production in the Community <sup>1</sup> (months)

	(Date)	Industry	Consumption goods	Intermediate products	Investment goods
<b>Industrial confidence indicator</b>					
Peak	12/73-7/74	+ 11	+ 5	+ 7	+ 10
Trough	6/75-9/75	+ 4	+ 3	+ 4	+ 3
Peak	1/77-3/77	+ 6	+ 7	+ 5	+ 9
Trough	11/77-3/78	+ 3	+ 4	+ 3	- 3
Peak	1/80-4/80	+ 6	+ 4	+ 6	+ 6
Trough	7/82-4/83	(+ 16)	+ 8	(+ 23)	(+ 25)
Average <sup>2</sup>		+ 6,0	+ 5,2	+ 5,0	+ 5,0
<b>Production expectations</b>					
Peak	12/73-7/74	+ 13	+ 6	+ 11	+ 14
Trough	6/75-9/75	+ 5	+ 7	+ 6	+ 4
Peak	1/77-3/77	+ 12	+ 4	+ 12	+ 9
Trough	11/77-3/78	+ 4	+ 3	+ 4	0
Peak	1/80-4/80	+ 6	+ 8	+ 6	+ 5
Trough	7/82-4/83	(+ 31)	+ 6	(+ 26)	(+ 28)
Average <sup>2</sup>		+ 8,0	+ 5,7	+ 8,0	+ 6,4
<b>Stock of finished products</b>					
Peak	12/73-7/74	+ 11	+ 5	+ 2	+ 8
Trough	6/75-9/75	+ 4	+ 2	+ 4	+ 3
Peak	1/77-3/77	+ 2	+ 6	+ 2	+ 3
Trough	11/77-3/78	+ 1	+ 4	+ 1	- 3
Peak	1/80-4/80	+ 6	+ 4	+ 6	+ 6
Trough	7/82-4/83	(+ 25)	+ 8	(+ 23)	(+ 24)
Average <sup>2</sup>		+ 4,8	+ 4,8	+ 3,0	+ 3,4
<b>Order-books</b>					
Peak	12/73-7/74	+ 3	+ 5	+ 5	+ 1
Trough	6/75-9/75	0	+ 2	+ 1	0
Peak	1/77-3/77	+ 4	+ 7	+ 4	+ 3
Trough	11/77-3/78	+ 3	- 1	+ 3	- 4
Peak	1/80-4/80	+ 6	+ 5	+ 6	+ 2
Trough	7/82-4/83	(+ 25)	+ 2	0	(+ 25)
Average <sup>2</sup>		+ 3,2	+ 3,3	+ 3,2	+ 0,4

<sup>1</sup> The figures between parentheses are anomalous due to the false recovery of the indicators in 1982 which left actual industrial production barely affected.

The ranges of dates correspond to the turning points of the production indices for the whole of industry and for its three main branches, as they can be derived from Table 1.

<sup>2</sup> The averages exclude figures in parentheses.

30 April 1984

TABLE 4: Survey of the construction industry

Net balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.) (b)

		Range (c)		1981	1982	1983	1983			1984	1983			1984		
		Peak 72/73	Trough 74/75				II	III	IV		I	Oct.	Nov.	Dec.	Jan.	Feb.
B	order-books	-13	-47	-53	-61	-73	-72	-73	-74	-72	-73	-76	-73	-71	-73	-71
	employment expectations	+31	-24	-41	-36	-41	-42	-37	-45	-50	-41	-49	-46	-51	-49	-50
	price expectations	+75	+25	+ 8	- 1	-11	-14	- 8	-13	-13	-12	-12	-14	-11	-17	-11
	construction confidence indicator (a)	+ 9	-36	-47	-49	-57	-57	-55	-60	-61	-57	-63	-60	-61	-61	-61
D	order-books	-17	-84	-61	-73	-60	-62	-56	-54	-59	-55	-53	-53	-56	-59	-61
	employment expectations	+10	-60	-35	-44	-20	-16	-14	-20	-27	-16	-22	-23	-25	-27	-29
	price expectations	+48	-37	-41	-28	+ 3	- 2	+ 8	+11	- 3	+12	+11	+10	+ 6	- 3	-11
	construction confidence indicator (a)	- 4	-72	-48	-59	-40	-39	-35	-37	-43	-36	-38	-38	-41	-43	-45
F	order-books	:	:	-48	-62	-66	-63	-70	-72	-62	-72	:	:	-62	:	:
	employment expectations	:	:	-24	-35	-37	-37	-47	-41	-47	-41	:	:	-47	:	:
	construction confidence indicator (a)	:	:	-36	-49	-52	-50	-59	-57	-58	-57	:	:	-58	:	:
I	order-books	-25	-68	-29	-44	-48	-49	-50	-42	-58	-43	-43	-41	-49	-53	-72
	employment expectations	+10	-44	- 7	-13	-23	-19	-24	-27	-22	-28	-22	-30	-31	-24	-13
	price expectations	+85	+30	+71	+54	+14	+13	+10	+12	+13	+ 8	+13	+15	+14	+ 7	+18
	construction confidence indicator (a)	- 8	-56	-18	-29	-36	-34	-37	-35	-40	-36	-33	-36	-40	-39	-43
L	order-books	+21	-50	-21	-46	-53	-57	-49	-58	-75	-52	-63	-59	-74	-74	-78
	employment expectations	+31	-39	- 6	-25	-36	-32	-39	-40	-67	-42	-38	-41	-59	-75	-66
	price expectations	+82	+11	+30	+17	-16	-18	-22	-25	-33	-28	-29	-19	-31	-30	-39
	construction confidence indicator (a)	+26	-45	-14	-36	-45	-45	-44	-49	-71	-47	-51	-50	-67	-75	-72
NL	order-books	- 8	-81	-50	-57	-55	-57	-54	-48	-47	-48	-48	-47	-47	-49	-45
	employment expectations	+14	-13	-14	-25	-14	-16	- 9	- 5	- 7	- 3	- 4	- 8	- 5	- 6	- 8
	construction confidence indicator (a)	+ 3	-47	-32	-41	-35	-37	-32	-27	-27	-26	-26	-28	-26	-28	-27
UK	order-books	:	:	-60	-59	-48	-52	-46	-47	-43	-47	:	:	-43	:	:
	employment expectations	:	:	-42	-25	-12	-11	-13	- 9	-12	- 9	:	:	-12	:	:
	price expectations	:	:	-16	0	+11	+ 6	+15	+12	+14	+12	:	:	+14	:	:
	construction confidence indicator (a)	:	:	-51	-42	-30	-32	-30	-28	-28	-28	:	:	-28	:	:
EC (d)	order-books	:	:	-51	-61	-57	-58	-57	-55	-56	-56	(-55)	(-55)	-56	(-57)	(-59)
	employment expectations	:	:	-28	-24	-24	-22	-24	-24	-28	-23	(-24)	(-26)	-29	(-28)	(-27)
	construction confidence indicator (a)	:	:	-39	-43	-41	-40	-41	-40	-42	-40	(-40)	(-41)	-43	(-43)	(-43)

(a) The indicator is an average of the responses (net balances) to the questions on order-books and employment expectations.

(b) Details of the questions are given below.

(c) These are the extreme (high and low) values of the net balances of the different questions, reached in the course of 1972/73 and 1974/75, respectively.

(d) Owing to lack of data for certain Member States, Community totals are incomplete.

Note: The annual and quarterly figures are averages of the corresponding monthly data, except for France and the United Kingdom, where the survey is carried out on a quarterly basis. The monthly and related quarterly data are seasonally adjusted unless otherwise indicated; the seasonal adjustment applied to the most recent observations is provisional, so that such data are subject to later revision.

Source: European Community business surveys.

TABLE 5: Indicators of output and economic sentiment

		Trough 1974/75	1981	1982	1983	1983			1984	1983			1984		
						II	III	IV	I	Oct.	Nov.	Dec.	Jan.	Feb.	March
<b>B</b>	<i>gross domestic product</i>	1975=													
	<i>index of industrial production</i>	100	88,2	113,9 111,6	112,8 111,6	114,1	112,5	115,2	116,3	116,7	118,0	114,2			
	1. industrial confidence indicator		-56	-27	-22	-20	-21	-19	-14	-12	-16	-12	-14	-11	-12
	2. construction confidence indicator		-36	-47	-48	-57	-57	-55	-60	-61	-57	-60	-61	-61	-61
	3. consumer confidence indicator <sup>1, 4</sup>		-18	-27	-27	-27	-22	-26	-30	-28			-28		
	4. share-price index <sup>4, 5</sup>		84,9	70,7	86,8	111,7	111,9	119,5	118,4	133,2	113,5	115,6	126,0	135,5	134,1
	= 5. economic sentiment indicator		99,3	97,8	99,0	100,1	100,5	100,7	100,3	101,3	100,2	100,0	100,6	101,3	101,4
<b>D</b>	<i>gross domestic product</i>	1975=	99,0	118,6	117,2	118,7	118,5	118,7	120,2	:	:	:	:	:	:
	<i>index of industrial production</i> <sup>3</sup>	100	97,9	115,9	112,5	113,9	113,8	113,3	116,8	:	115,2	117,2	117,8	117,7	:
	1. industrial confidence indicator		-49	-30	-33	-21	-23	-17	-19	-8	-13	-11	-10	-8	-9
	2. construction confidence indicator		-72	-48	-59	-40	-39	-35	-37	-43	-36	-38	-38	-41	-45
	3. consumer confidence indicator <sup>1, 4</sup>		-22	-22	-26	-12	-7	-11	-11	-8	-12	-12	-10	-7	-9
	4. share-price index <sup>4, 5</sup>		80,0	108,7	108,3	136,9	139,4	139,2	145,7	134,3	143,8	145,6	147,7	136,7	132,7
	= 5. economic sentiment indicator		98,8	98,9	98,2	101,3	101,7	101,7	102,3	101,9	102,0	102,1	102,5	102,3	101,7
<b>F</b>	<i>gross domestic product</i>	1975=	98,5	117,8	119,9	120,4	120,5	120,1	120,8	:	:	:	:	:	:
	<i>index of industrial production</i>	100	86,9	115,5	113,7	115,0	114,9	115,8	115,5	:	112,8	117,3	116,4	117,3	:
	1. industrial confidence indicator		-49	-30	-17	-23	-23	-28	-22	-25	-21	-23	-23	-26	-23
	2. construction confidence indicator		:	-36	-49	-52	-50	-59	-57	-58	-57	:	:	-58	:
	3. consumer confidence indicator <sup>1, 4</sup>		-9	-9	-5	-16	-17	-18	-19	-20	:	:	:	-20	:
	4. share-price index <sup>4, 5</sup>		79,8	131,5	131,0	172,3	166,3	179,6	198,8	220,5	192,0	197,2	207,1	227,5	217,2
	= 5. economic sentiment indicator		98,1	98,9	98,9	97,4	97,3	96,5	97,0	97,0	97,0	96,9	97,0	97,2	97,0
<b>IRL</b>	<i>gross domestic product</i>	1975=	:	123,6	:	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	100	96,3	134,7	135,3	144,6	139,6	144,9	149,8	:	145,1	146,0	158,2	:	:
	1. industrial confidence indicator		-41	-18	-19	-20	-24	-17	-12	-7	-16	-13	-8	-4	-11
	2. construction confidence indicator		:	-33	-51	-60	-61	-58	-44	-61	-53	-56	-22	-63	-73
	3. consumer confidence indicator <sup>1, 4</sup>		-41	-28	-34	-40	-44	-41	-38	-33	:	:	:	-33	:
	4. share-price index <sup>4, 5</sup>		63,4	219,9	179,9	222,4	206,8	249,7	272,7	:	268,3	257,8	291,9	292,0	:
	= 5. economic sentiment indicator		97,7	102,0	101,4	101,3	101,3	101,1	101,8	:	101,7	101,7	102,0	102,1	102,3
<b>I</b>	<i>gross domestic product</i>	1975=	93,1	120,9	120,5	119,0	117,6	118,9	120,1	:	:	:	:	:	:
	<i>index of industrial production</i>	100	94,7	125,0	121,7	118,0	115,2	117,1	118,9	:	116,4	124,3	115,9	:	:
	1. industrial confidence indicator		-59	-31	-31	-29	-33	-27	-23	-17	-22	-25	-21	-18	-17
	2. construction confidence indicator		-56	-18	-29	-36	-34	-37	-35	-40	-36	-33	-36	-40	-43
	3. consumer confidence indicator <sup>1, 4</sup>		-39	-22	-18	-23	-21	-22	-22	-18	-24	-23	-20	-20	-16
	4. share-price index <sup>4, 5</sup>		84,6	160,0	129,9	159,9	161,6	161,9	161,3	171,9	160,2	161,8	161,8	171,7	172,9
	= 5. economic sentiment indicator		99,1	102,1	101,8	101,7	101,2	101,4	101,2	101,7	101,0	101,1	101,5	101,4	102,0
<b>NL</b>	<i>gross domestic product</i>	1975=	:	112,1	111,1	:	:	:	:	:	:	:	:	:	:
	<i>index of industrial production</i>	100	98,0	111,0	107,0	108,1	107,3	106,3	110,0	:	107,0	110,0	113,0	115,0	:
	1. industrial confidence indicator		-44	-25	-26	-16	-17	-15	-12	-7	-12	-13	-10	-9	-6
	2. construction confidence indicator		-47	-32	-41	-35	-37	-32	-27	-27	-26	-26	-28	-26	-27
	3. consumer confidence indicator <sup>1, 4</sup>		-19	-31	-32	-30	-28	-28	-28	-26	:	:	:	-26	:
	4. share-price index <sup>4, 5</sup>		80,5	98,9	100,0	144,4	142,2	154,1	158,8	182,3	156,5	154,5	164,4	185,7	181,1
	= 5. economic sentiment indicator		99,6	98,3	98,1	100,2	100,2	100,7	101,1	103,0	101,0	100,7	101,3	103,1	103,0
<b>UK</b>	<i>gross domestic product</i>	1975=	98,1	106,9	109,5	113,5	112,2	112,7	114,9	:	:	:	:	:	:
	<i>index of industrial production</i>	100	97,0	104,2	106,0	108,8	107,7	109,5	110,4	:	109,9	110,1	111,3	112,1	:
	1. industrial confidence indicator		:	-33	-25	-10	-10	-6	-3	+2	-8	-1	+1	+1	+1
	2. construction confidence indicator		:	-51	-42	-30	-32	-30	-28	-28	-28	:	:	-28	:
	3. consumer confidence indicator <sup>1, 4</sup>		-33	-21	-12	-2	+1	0	-1	-1	-2	-1	0	+2	-4
	4. share-price index <sup>4, 5</sup>		49,2	237,0	274,6	346,1	346,9	358,6	357,0	393,3	347,4	358,3	365,3	386,3	413,9
	= 5. economic sentiment indicator		95,0	100,9	101,8	103,7	103,7	104,1	104,1	104,3	103,7	104,2	104,3	104,4	104,3
<b>EC</b>	<i>gross domestic product</i>	1975=	99,0	116,4	117,0	118,2	117,7	117,9	119,3	:	:	:	:	:	:
	<i>index of industrial production</i>	100	96,8	114,4	112,8	113,3	112,3	113,7	115,6	:	114,3	115,9	116,7	116,9	:
	1. industrial confidence indicator		-49	-31	-27	-20	-21	-18	-14	-11	-16	-14	-12	-12	-11
	2. construction confidence indicator		:	-39	-43	-41	-40	-41	-40	-42	-40	(-40)	(-41)	-43	(-43)
	3. consumer confidence indicator <sup>1, 4</sup>		-17	-19	-17	-14	-12	-14	-15	-13	-15	-15	-13	-12	-13
	4. share-price index <sup>4, 5</sup>		81,8	170,2	187,2	244,3	242,7	255,7	260,8	282,6	255,0	260,2	267,2	281,5	290,6
	= 5. economic sentiment indicator		97,4	99,9	100,1	102,2	102,1	102,8	103,1	104,1	102,8	103,1	103,5	104,2	104,1

<sup>1</sup> Quarterly series are constructed by attributing results of the January, May and October surveys to the first, second and fourth quarters respectively. Third quarter data are interpolated between second and fourth quarter values. For the method of construction of the indicator, see: *European Economy — Supplement C*.

<sup>2</sup> Weighted total of quarterly figures for the Federal Republic of Germany, France, Italy and the UK.

<sup>3</sup> For the Federal Republic of Germany, gross national product for quarterly data.

<sup>4</sup> Not seasonally adjusted.

<sup>5</sup> Revised by Eurostat.

Source: European Community business surveys and Eurostat.

TABLE 6: Monthly survey of manufacturing industry — Monthly questions and the composite industrial confidence indicator (a)  
 Net balances: i.e. differences between the percentages of respondents giving positive and negative replies (s.a.) (b)

		Range (c)		1981	1982	1983	1983			1984	1983			1984		
		Peak 1972/73	Trough 1974/75				II	III	IV		I	Oct.	Nov.	Dec.	Jan.	Feb.
B	production expectations	+31	-56	-26	-18	-16	-19	-15	-6	-2	-10	-7	-2	-4	-3	0
	order-books	+13	-74	-45	-40	-34	-36	-33	-28	-23	-29	-31	-25	-26	-21	-23
	export order-books	+15	-82	-47	-40	-34	-35	-31	-30	-26	-30	-30	-30	-28	-24	-25
	stocks of finished products	-14	+37	+11	+8	+9	+10	+9	+9	+11	+10	+10	+8	+11	+10	+12
	selling-price expectations	+64	-10	+29	+28	+24	+24	+25	+24	+30	+24	+22	+27	+28	+31	+30
	industrial confidence indicator	+19	-56	-27	-22	-20	-21	-19	-14	-12	-16	-16	-12	-14	-11	-12
DK	production expectations	:	:	-3	+3	+8	+1	+8	+18	+30	:	:	:	:	:	:
	order-books	:	:	-24	-17	-3	-13	0	+10	+24	:	:	:	:	:	:
	export order-books	:	:	-8	-4	-3	-4	-4	+3	+18	:	:	:	:	:	:
	stocks of finished products	:	:	+19	+16	+9	+10	+8	+3	+2	:	:	:	:	:	:
	industrial confidence indicator	:	:	-13	-10	-2	-7	0	+8	+17	:	:	:	:	:	:
	D	production expectations	+17	-32	-17	-20	-2	-2	+1	+6	+7	+3	+7	+7	+10	+7
order-books		-5	-73	-46	-53	-43	-46	-40	-31	-24	-35	-32	-27	-25	-24	-22
export order-books (d)		+23	+33	-1	-7	-4	-8	-2	+5	+8	+1	+6	+7	+9	+9	+6
stocks of finished products		-7	+43	+26	+26	+17	+20	+13	+9	+8	+8	+9	+9	+8	+8	+8
selling-price expectations		+55	+4	+32	+18	+16	+15	+21	+23	+25	+25	+23	+22	+25	+27	+24
industrial confidence indicator		+10	-49	-30	-33	-21	-23	-17	-11	-8	-13	-11	-10	-8	-8	-9
F	production expectations	+33	-29	-11	-4	-13	-13	-18	-12	-17	-8	-14	-15	-17	-18	-15
	order-books	+26	-69	-46	-30	-38	-37	-42	-39	-37	-37	-42	-37	-39	-38	-35
	export order-books	+24	-66	-47	-36	-38	-44	-39	-26	-22	-30	-25	-22	-24	-21	-21
	stocks of finished products	-14	+50	+34	+16	+18	+18	+23	+16	+20	+18	+12	+17	+21	+18	+20
	selling-price expectations	+76	+15	+54	+49	+45	+47	+46	+43	+51	+36	+46	+46	+52	+52	+49
	industrial confidence indicator	+29	-49	-30	-17	-23	-23	-28	-22	-25	-21	-23	-23	-26	-25	-23
IRL	production expectations	:	-21	-1	-4	-8	-12	-6	-6	+7	-9	-6	-2	+2	+6	+12
	order-books	:	-68	-36	-39	-44	-50	-41	-32	-27	-37	-37	-22	-19	-22	-39
	export order-books	:	-22	+2	-7	0	-9	+4	+14	+11	+6	+18	+18	+22	+2	+9
	stocks of finished products	:	+35	+16	+14	+8	+10	+4	-1	+2	+1	-3	-1	-6	+4	+7
	selling-price expectations	:	+64	+41	+35	+31	+31	+30	+33	+39	+27	+34	+37	+32	+42	+43
	industrial confidence indicator	:	-41	-18	-19	-20	-24	-17	-12	-7	-16	-13	-8	-4	-7	-11
I	production expectations	+40	-43	-16	-15	-11	-13	-7	-6	+5	+1	-9	-9	+5	+5	+4
	order-books	+30	-82	-49	-53	-54	-59	-50	-45	-37	-48	-47	-39	-42	-35	-35
	export order-books	+13	-67	-45	-49	-49	-54	-47	-40	-35	-43	-40	-37	-37	-34	-34
	stocks of finished products	-24	+53	+28	+25	+22	+25	+23	+17	+19	+19	+19	+14	+17	+20	+20
	selling-price expectations	+76	+10	+59	+50	+45	+46	+43	+49	+52	+50	+46	+50	+48	+56	+52
	industrial confidence indicator	+31	-59	-31	-31	-29	-33	-27	-23	-17	-22	-25	-21	-18	-17	-17
L	production expectations	+84	-80	-39	-40	-7	-7	+5	-1	-20	-3	+9	-2	+4	-17	-47
	order-books	:	:	-62	-60	-49	-59	-45	-28	+4	-41	-37	-6	0	+7	+5
	export order-books	:	:	-81	:	-57	-68	-58	-38	+7	-59	-48	-6	+2	+9	+10
	stocks of finished products	-14	+74	+28	+14	+23	+22	+20	0	-7	+6	+2	-7	-2	-18	-5
	selling-price expectations	:	-46	+60	+10	+24	+42	+34	-6	+24	-2	-19	+2	+38	+35	0
	industrial confidence indicator	:	:	-43	-38	-26	-29	-20	-9	-3	-17	-10	0	+2	+1	-12
NL	production expectations	+26	-26	-6	-5	0	-1	+1	+5	+6	+7	+2	+6	+8	+6	+4
	order-books	+7	-48	-37	-39	-32	-33	-31	-27	-18	-27	-28	-26	-22	-17	-14
	stocks of finished products	-3	+57	+32	+33	+15	+16	+15	+13	+9	+15	+14	+11	+13	+7	+8
	industrial confidence indicator	+12	-44	-25	-26	-16	-17	-15	-12	-7	-12	-13	-10	-9	-6	-6
UK	production expectations	:	:	-4	+1	+17	+15	+22	+25	+27	+18	+27	+31	+24	+29	+28
	order-books	:	:	-69	-54	-34	-33	-29	-24	-12	-29	-23	-20	-13	-11	-13
	export order-books	:	:	-55	-48	-34	-34	-32	-21	-17	-27	-22	-15	-17	-17	-16
	stocks of finished products	:	:	+27	+23	+13	+13	+11	+9	+9	+12	+6	+8	+9	+8	+11
	selling-price expectations	:	:	+25	+27	+26	+25	+26	+30	+34	+28	+32	+30	+38	+34	+31
	industrial confidence indicator	:	:	-33	-25	-10	-10	-6	-3	+2	-8	-1	+1	+1	+3	+1
EC (e)	production expectations	+24	-30	-13	-11	-3	-4	-1	+3	+5	+2	+3	+5	+6	+5	+4
	order-books	+15	-70	-51	-47	-40	-42	-39	-33	-26	-36	-33	-30	-28	-25	-24
	export order-books	+14	-48	-31	-30	-25	-28	-24	-16	-12	-19	-15	-13	-12	-11	-12
	stocks of finished products	-10	+48	+28	+22	+16	+18	+16	+12	+13	+13	+11	+11	+13	+12	+13
	selling-price expectations	+64	+9	+40	+32	+30	+29	+32	+33	+38	+32	+34	+33	+38	+39	+36
	industrial confidence indicator	+16	-49	-31	-27	-20	-21	-18	-14	-11	-16	-14	-12	-12	-11	-11

(a) The indicator is an average of the responses (net balances) to the questions on production expectations, order-books and stocks (the latter with inverted sign).

(b) Details of the questions are given on the last page.

(c) These are the extreme (high and low) values of the net balances of the different questions, reached in the course of 1972/73 and 1974/75, respectively.

(d) The series for the Federal Republic of Germany concerns the export outlook, rather than orders as such.

(e) Not including Greece, where the survey time series are too short to permit an analysis of trends. (The Community survey was extended to Greece at the beginning of 1981).

Note: (s.a.) = seasonally adjusted.

: = not available.

The annual and quarterly figures are averages of the corresponding monthly data. The seasonal adjustment applied to the most recent observations is provisional, so that such data are subject to later revision.

Source: European Community business surveys.

TABLE 7 : Consumer opinion on economic and financial conditions

	1980	1981	1982	1983	1983										1984		
					March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Jan.	Feb.	March
<b>Federal Republic of Germany</b>																	
Consumer confidence indicator	- 5	-22	-26	-15	- 9	- 7	- 7	- 8	-10	-10	-12	-12	-12	-10	- 7	- 9	- 9
Financial situation of households																	
over last 12 months	- 4	-16	-18	-14	-13	-12	-13	-11	-12	-11	-11	-12	-12	-11	-10	-12	-12
over next 12 months	- 3	-12	-14	- 9	- 4	- 4	- 6	- 6	- 8	- 6	- 7	- 6	- 7	- 6	- 5	- 7	- 7
General economic situation																	
over last 12 months	-18	-46	-51	-29	-28	-14	-14	-14	-18	-16	-20	-18	-19	-17	-11	-12	-12
over next 12 months	-19	-33	-32	-14	4	- 4	0	- 4	-10	-10	-13	-12	-13	-10	- 5	- 6	- 5
Price trend																	
over last 12 months	44	52	46	23	19	15	14	11	15	15	19	17	17	16	12	16	17
over next 12 months	51	50	43	30	18	19	23	25	28	28	31	30	28	26	25	28	29
Unemployment																	
over next 12 months	20	43	43	30	8	1	10	13	23	28	32	26	33	29	18	17	10
Major purchases																	
at present	18	- 1	-17	- 8	- 4	- 3	- 4	- 8	- 5	- 5	- 8	-10	- 7	- 4	- 4	- 7	- 8
over next 12 months	19	-25	-28	-29	-25	-25	-29	-28	-30	-30	-30	-25	-26	-28	-25	-26	-27
Saving																	
at present	43	32	27	33	34	34	35	35	29	36	36	36	37	33	35	36	40
over next 12 months	44	23	- 2	1	4	5	3	1	1	3	5	1	3	4	3	2	6
Financial situation of households																	
net acquisition of financial assets	21	16	12	11	14	14	15	12	13	15	10	12	11	12	12	10	12
<b>Italy</b>																	
Consumer confidence indicator	-22	-22	-18	-24	-22	-21	-21	-22	-22	-22	-21	-24	-23	-20	-20	-18	-16
Financial situation of households																	
over last 12 months	-14	-14	-13	-15	-15	-15	-13	-14	-15	-15	-13	-17	-15	-13	-14	-13	-13
over next 12 months	-10	- 8	- 6	- 8	- 7	- 6	- 6	- 5	- 8	- 8	- 7	-10	- 8	- 6	- 4	- 4	- 4
General economic situation																	
over last 12 months	-57	-60	-51	-57	-55	-51	-55	-55	-55	-55	-51	-57	-54	-50	-46	-46	-41
over next 12 months	-30	-30	-24	-25	-20	-19	-24	-22	-24	-24	-23	-24	-24	-20	-12	-14	- 8
Price trend																	
over last 12 months	80	78	72	69	70	67	66	69	67	65	66	66	66	60	63	61	60
over next 12 months	60	58	56	54	51	48	54	52	54	54	54	55	52	49	52	49	45
Unemployment																	
over next 12 months	51	52	56	57	55	54	54	54	55	55	57	61	59	55	54	52	49
Major purchases																	
at present	2	4	1	-13	-14	-16	- 9	-13	- 9	- 9	-11	-13	-14	-11	-22	-14	-17
over next 12 months	-17	-18	-22	-22	-20	-24	-17	-24	-21	-21	-21	-22	-25	-22	-22	-22	-25
Saving																	
at present	- 6	- 7	10	21	19	23	20	26	19	19	24	17	22	25	31	28	31
over next 12 months	-32	-30	-22	-27	-28	-26	-27	-24	-24	-24	-24	-29	-20	-21	-18	-26	-22
Financial situation of households																	
net acquisition of financial assets	8	8	13	9	9	8	11	10	11	11	11	9	9	11	10	10	10
<b>United Kingdom</b>																	
Consumer confidence indicator	-18	-21	-12	- 3	- 4	- 2	3	2	- 1	1	- 1	- 2	- 1	0	2	- 1	- 4
Financial situation of households																	
over last 12 months	-24	-30	-27	-15	-17	-17	-17	-12	-13	-14	-11	-14	-15	-15	-12	-13	-16
over next 12 months	-13	-15	- 9	- 2	- 1	0	2	1	- 5	- 1	- 3	- 4	- 3	- 3	1	- 3	- 3
General economic situation																	
over last 12 months	-55	-62	-40	-23	-29	-23	- 8	-12	-16	-13	-17	-21	-16	-14	-12	-22	-24
over next 12 months	-24	-23	-10	- 5	- 2	0	14	2	- 5	- 3	- 8	-11	- 5	- 5	1	- 7	-10
Price trend																	
over last 12 months	59	41	31	15	18	14	10	12	9	13	13	15	14	13	13	17	18
over next 12 months	43	31	29	27	25	27	18	22	34	29	36	37	34	35	37	36	40
Unemployment																	
over next 12 months	58	50	34	37	40	36	24	30	40	43	37	37	23	21	23	35	29
Major purchases																	
at present	28	26	25	32	29	29	22	29	37	37	35	39	35	38	34	38	34
over next 12 months	-14	-19	-18	-15	-13	-16	-12	-13	-16	-13	-12	-13	-13	-11	-15	-14	-11
Saving																	
at present	6	5	5	10	8	4	12	18	15	19	14	19	14	16	18	12	17
over next 12 months	-16	-20	-17	-13	-14	-15	- 8	- 9	-14	-13	-12	-12	-12	-13	-18	-14	-12
Financial situation of households																	
net acquisition of financial assets	8	9	9	12	13	9	14	13	13	12	13	13	11	11	11	11	13

The results are the weighted averages of the replies to the following questions. The numbers in parentheses are the weights given to each percentage response.

- Financial situation of your household now compared to 12 months ago?
- Financial situation of your household, prospects over the next 12 months?
- General economic situation in the country now compared to 12 months ago?
- General economic situation in the country, prospects over the next 12 months?
- A lot better (+ 1), a little better (+ 1/2), the same (0), a little worse (- 1/2), a lot worse (- 1), don't know.
- Price levels now compared to 12 months ago? Much higher (+ 1), moderately higher (+ 1/2), a little higher (0), about the same (- 1/2), lower (- 1), don't know.
- Price trends over the next 12 months? More rapid increase (+ 1), same increase (+ 1/2), slower increase (0), stability (- 1/2), fall slightly (- 1), don't know.
- Unemployment level in the country over the next 12 months? Increase sharply (+ 1), increase slightly (+ 1/2), remain the same (0), fall slightly (- 1/2), fall sharply (- 1), don't know.

- Major purchases (furniture, washing machine, TV, etc.) at present? Yes, right time (+ 1), neither right nor wrong time (0), wrong time, should postpone (- 1), don't know.
- Major purchases next 12 months compared to last 12 months? Much more (+ 1), a little more (+ 1/2), the same (0), a little less (- 1), don't know.
- Savings at present, a reasonable time to save?
- Savings by you or your household over the next 12 months?
- For the above two questions the possible answers are: yes, certainly (+ 1), Yes, perhaps (+ 1/2), probably not (- 1/2), certainly not (+ 1), don't know.
- Financial situation of households at present—financial asset accumulation? Borrowing (+ 1), drawing on savings (+ 1/2), just making ends meet (0), saving a little (+ 1/2), saving a substantial amount (+ 1), don't know.

The consumer confidence indicator is an arithmetic average of the answers to the four questions on the financial situation of households and general economic situation (past and future) together with that on the advisability of making major purchases.

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